

Basler, Inc. General Terms and Conditions

§ 1 Scope and priority

1. These Terms and Conditions of sale (along with any directly associated written Basler specification or quotation) exclusively shall apply to all sales, licensing, deliveries, installations, repairs, consulting and other services made or rendered by Basler, Inc. (hereinafter: "Basler"). These Terms and Conditions, as amended from time to time in Basler's sole discretion, shall also apply to any subsequent transactions even if these Terms and Conditions are not again included therein by express reference.
2. Unless expressly accepted and agreed to by Basler in writing, no terms and conditions of delivery and payment or other general terms and conditions of the customer shall apply. Basler objects to other terms and conditions that may be proposed by the customer not otherwise consistent with these or other terms and conditions set forth in Basler's written specification, quotation or order acknowledgment.
3. These General Terms and Conditions shall not apply to any contracts entered into between Basler and consumers.
4. Basler products are manufactured for the distribution to business customers only and shall not be sold to consumers.
5. The products are not exclusively designed, manufactured or designated for sale as parts, components or structural components for the planning, servicing or direct operation of automotive, aeronautical, nuclear and medical equipment or mass transport means. The customer will bear the sole responsibility where products acquired by the customer from Basler are used for these purposes. The customer will inform its own customers of this limitation on use upon resale of the products.
6. Individual agreements concluded on an exceptional basis with the customer (including ancillary agreements, addenda and amendments) will supersede and control over the present General Terms and Conditions. A written agreement executed by Basler and the customer shall be required for the subject matter and validity of such individual agreement.

§ 2 Conclusion and amendment of contracts

1. Any quotations made by Basler shall be subject to change at any time and in all respects. Orders shall not become binding upon Basler unless Basler has confirmed the same either in writing or in text form (text form comprises fax, e-mail and EDI).
2. The contract shall be deemed concluded once Basler has confirmed the order in writing or text form or upon execution of the delivery. Any modifications or amendments of as well as any additions to the contract shall be valid only if made in writing or text form. Basler's employees and agents shall in particular not be authorized to make any oral side agreements, grant any oral commitments or make any oral agreements regarding the amendment or modification of the contract. Any such side agreements, commitments or other agreements as aforesaid shall be binding upon Basler only after amendment by Basler of the order confirmation issued in writing or in text form.

§ 3 Payments

1. Unless Basler approves and extends credit to the customer all payments to Basler under invoices issued by Basler shall be due and payable without deduction immediately after receipt of the respective invoice.
2. Basler reserves the right to require partial or full prepayment prior to manufacture and/or shipment for any order.
3. Subject to Basler's sole discretion, Basler may approve and extend credit by written notice to the customer specifying the terms of the extension of credit and payment.

4. Even though credit may be granted at the time of acceptance of a job quote or sales order, Basler reserves the right to require satisfactory evidence of Buyer's financial responsibility at any time before or during shipment of an order.
5. Basler shall have the right at any time: (i) to revoke any credit extended to Buyer or (ii) to condition the extension of additional credit on payment of existing invoices for filled order, even if within the stated payment term, because of Buyer's failure to pay for any goods when due or for any other reason deemed good and sufficient by Basler.
6. When credit is granted, terms are net 30 days from invoice date, unless otherwise stated on the credit agreement or notice, or the invoice.
7. Basler will accept payments via the customer's credit card subject to: (i) approval of the credit card payment; (ii) a non-refundable additional fee equal to 2.5% of the payment amount paid with the credit card payment; and (iii) all other terms of this Section 3.
8. Basler shall be entitled to credit payments initially to earlier debts owed by the customer. In case any costs and interest have accrued already, Basler shall be entitled to initially credit any payments to costs, then to any interest accrued, and finally to the principal debt.
9. In the event of a default in payment, Basler shall charge default interest at the lesser of ten percent (10%) or the applicable statutory rate. Basler reserves its right to exercise any further rights available to it, including in particular but not being limited to any damages incurred as a result of the delay in excess thereof.
10. Where payment in installments or a credit period has been agreed, the full residual debt shall become immediately due and payable or Basler may rescind the partial payment agreement after expiry of a previously set period if:
 - a) The customer is in default with the payment of one installment and such installment accounts to at least 5 % of the cash price;
 - b) The customer is in default with the payment of two consecutive installments;
 - c) The customer finally ceases to make payments; or
 - d) Basler acquires knowledge of any other circumstances casting doubt on the customer's creditworthiness (e.g. the filing of a petition in insolvency or the institution of insolvency proceedings against the customer's assets).
11. No setoff against claims due to Basler shall be allowed unless the counter claim is undisputed or legally enforceable or accepted by Basler. The customer shall be entitled to any right of retention only if such right is based on the same contract.
12. Payments shall be made in cash or by bank wire transfer. Basler shall be under no obligation to accept any bills of exchange or checks or automated clearing house payments. If Basler admits to the giving thereof, the same will be accepted as payment only subject to available discounting opportunities and against reimbursement of all expenses, which shall be borne by the customer. Basler shall also not be obliged to timely present bills of exchange or checks and to lodge protests.
13. Basler's acceptance of payment after the stated time for payment and/or decision not to require payment of the monthly service charge on any order shall not waive Basler's right to require timely payment on later orders or impose a monthly service charge on such orders or later orders in the event of a breach of these terms and conditions by Buyer.

§ 4 Applicable law; place of performance; jurisdiction

1. The entire legal relationship between Basler and the customer shall be exclusively governed by and construed under applicable law to the exclusion of the provisions of the UN Convention on Contracts for the International Sale of Goods (CISG).

The conflict of law provisions shall not apply. All disputes between Basler and the customer shall be subject to the

jurisdiction of the factually and locally competent courts with regard to Basler. Basler shall be free, at its option, to also sue the customer in a jurisdiction competent with regard to the customer. Any statutory provisions on exclusive jurisdiction, if any, shall remain unaffected.

3. The place of performance with regard to the delivery of the purchased goods as well as for all other mutual claims shall be Basler's principal place of business.

§ 5 Severability

Should any of the individual provisions of the contract or these Terms and Conditions be or become invalid or unenforceable, or should a gap in this agreement be discovered, then the validity and enforceability of the remaining provisions thereof or hereof, as the case may be, shall not be affected thereby. Such invalid or unenforceable provision shall be replaced or, as the case may be, such gap shall be filled by a legally valid and enforceable provision accommodating or coming as close as possible to the intent of the parties as apparent from this agreement as well as to the economic intent and purpose of the invalid or unenforceable provision and the overall agreement. The same shall also apply where the invalidity or unenforceability of a provision is based on the determination of performance or time; in such cases a legally permissible measure of performance or time shall be agreed which comes as close as possible to the intent of the parties.

A. Delivery

§ 6 Scope of supply and services

The customer shall acquire the systems or components as specified in more detail in the order confirmation and, to the extent included in the scope of delivery, the operating software and documentation.

§ 7 Quality and pricing

1. If reasonable for the customer, Basler shall have the right to deviate from the technical data and performance specified in the order confirmation or, for technical reasons, use other components than those agreed. In any such case, Basler shall be required to obtain customer's prior consent to the deviation in question, which consent shall be withheld only where the customer has a legitimate interest to do so. No consent shall be required for such deviations concerning a single component or constituting only a minor deviation from the data specified in the contract or for any deviations resulting from an adjustment to the general state of technology.
2. The customer shall be solely responsible for the compliance of all statutory, regulatory, and occupational safety provisions upon the use of the goods delivered hereunder.
3. Unless agreed otherwise, the prices quoted by Basler shall be net of any auxiliary costs such as freight, customs and packaging, exclusive of any discount or other rebates or deductions, and plus the statutory value added tax (on the purchase price) applicable on the date of delivery. The confirmed prices are valid only for the purchase of the confirmed quantity.
4. If the period between the date of conclusion of the contract and the date scheduled for delivery in whole or in part exceeds four months and if the cost of the goods to be delivered increases by more than 5 % after the date of conclusion of the contract particularly due to price increases at Basler's suppliers, then Basler shall be entitled to reasonably (i.e. based on the degree of increase in cost) increase the price for such parts of the overall delivery which are scheduled for delivery more than four months after the date of contract conclusion. If the price increase so claimed by Basler amounts to more than 5 % of the price of the overall delivery, the customer shall within two weeks

following the receipt of Basler's notice to that effect be entitled to withdraw from the contract by written notice to Basler.

§ 8 Shipment; transfer of risks

1. Unless otherwise agreed to in writing, Basler's delivery shall be made ex manufacturer's works. Packaging and shipment are performed at Basler's choice and shall be paid for by the customer.
2. The risks of loss and/or deterioration shall pass to the customer upon hand-over of the goods to the carrier, forwarding agent or other transporting person, including Basler's own resources. The same shall apply for free delivery, provided that in such case Basler shall assume liability for direct loss or damage in transit limited to the respective gross value of the goods, should such loss or damage have been caused by Basler's own transporting persons.
3. In the event the shipment is delayed for any reasons beyond Basler's control, the risks of loss and/or deterioration shall pass to the customer upon receipt of the notice of readiness for shipment.
4. The customer shall promptly, but not later than 3 days after receipt of the goods, notify Basler in writing of any damages in transit, if any, even in cases where Basler is not responsible for the transport.

§ 9 Delivery; delay in delivery; withdrawal

1. Delivery dates confirmed by Basler shall be non-binding unless expressly stated by Basler as being binding.
2. Adherence to the agreed periods and dates of delivery is subject to the timely performance of customer's contractual obligations. The period for delivery shall commence after clarification of all details regarding the execution of the order and after receipt of all documents and other information required for such execution and to be provided by the customer, as well as after receipt of any agreed down payment, if any. The period for delivery shall be deemed adhered to also if the goods are leaving the plant or designated point of dispatch, as the case may be, or if the customer has been notified of the readiness for delivery but the goods could not be shipped in time for any other reason than a fault of Basler. The foregoing shall apply accordingly with respect to delivery dates.
3. If delivery by Basler is delayed, the customer grants Basler an extension of time to deliver the order, to be confirmed in writing between Basler and the customer for a period of not less than 14 days.
4. After expiry of the period of grace so notified to Basler by the customer upon a delay in delivery, the customer shall be entitled to withdraw from the contract provided the customer has notified Basler of its rejection of performance upon setting said period of grace. Customer's right to withdraw shall not apply if upon the expiry of the period of grace the goods have been dispatched or are ready for shipment and Basler has notified the customer to that effect.
5. The agreed periods and dates of delivery shall be extended by the duration of any unforeseeable events beyond Basler's control such as war, threat of war, riots, use of force by third parties against persons or property, interventions by public authorities including any monetary or trade actions (e.g. economic sanctions), labor disputes at Basler or its suppliers or carriers, interruption of designated transport links, fire, shortage of raw materials (e.g. semiconductors and other electronic components), energy shortfalls, or other disruptions of Basler's or Basler's suppliers' operations. The foregoing shall also apply in cases where delivery by Basler is already delayed or if the impediment to performance already existed prior to the conclusion of contract but was unknown to Basler at that time.

Basler shall promptly notify the customer of the existence of any such impediments as stated above.

6. If any delays in delivery attributable to any one or more of the events stated in § 9(5) above shall continue for a period in excess of four months, then either party shall be entitled to withdraw from the contract, provided that the customer shall have the right to withdraw from the contract only if Basler fails to declare within one week of customer's request to do so whether Basler intends to withdraw or to deliver within a reasonable period of time. Such right of withdrawal shall exist notwithstanding the aforementioned period if performance of the contract has become unreasonable for one of the parties in consideration of the delay so occurred.
7. If the customer does not have a statutory or contractual right of withdrawal and Basler nevertheless has accepted a return of the goods in writing or text form (fax, email), then Basler will charge a restocking fee in the amount of 35% of the gross value of the goods.
8. Basler shall be entitled to withdraw from any contracts already concluded if the procurement of goods has become materially complicated since the time of conclusion of the contract due to disasters, acts of war or other reasons. A material complication shall be deemed to exist in any circumstances where the market price of the goods to be procured has increased by 25 % during the period between the date of conclusions of the respective contract of purchase and sale and the scheduled date of delivery.
If the customer defaults in the payment of an invoice for more than two weeks, a petition in insolvency has been filed against customer's assets, the customer has initiated an individual voluntary arrangement with its creditors or ceased to make payments when due, or if Basler acquires knowledge of any other circumstances materially deteriorating the customer's creditworthiness and jeopardizing the payment of the claim owed to Basler, then Basler shall be entitled to request security by prepayment of bank guarantee (at customer's option) and to refuse delivery until such security has been provided, setting a period of not less than one week for such provision of security. After the unsuccessful expiry of a reasonable period of grace set by Basler, Basler shall still be entitled to withdraw from this and other contracts or to claim damages in lieu of performance.
10. If the customer has a right to claim damages due to delay in performance, such claim shall be limited to a maximum of 5 % of the agreed purchase price in case of slight negligence on the part of Basler. If the customer intends to withdraw from the contract and/or claim damages in lieu of performance, then, after expiry of the periods set forth in § 9, the customer must set a reasonable period for delivery by Basler. If the customer has a right to claim damages in lieu of performance, such claim shall be limited to a maximum of 25 % of the agreed purchase price in case of slight negligence. If Basler accidentally becomes unable to deliver while in default, Basler's liability shall be limited to the limits of liability agreed above. Basler shall have no liability if the loss would have occurred even upon delivery in due time. Basler reserves the right to prove that the loss is actually lower.

§ 10 Acceptance and receipt of delivery

1. The customer shall not unjustifiedly reject acceptance of the delivery and shall be obliged to take delivery within 8 days of the receipt of the notice of readiness for delivery. In the event of nonacceptance Basler may exercise the rights available to it by law.
2. The customer shall be obliged to accept partial deliveries of reasonable volume.
3. The customer shall be in default of acceptance even if Basler has only offered delivery by notice in writing or text form (fax,

email). All other statutory requirements of a default in acceptance shall remain unaffected.

4. If Basler claims damages, such damages shall amount to 15% of the purchase price. Said damages shall be valued higher or lower if either Basler proves a higher damage or the customer proves a lower damage.

§ 11 Security Interest

1. Customer grants and Basler claims and shall retain a "purchase money security interest" in the goods and software delivered pursuant to the applicable provisions of the UCC. Additionally, Customer acknowledges and Basler hereby claims and shall retain title to the goods delivered under applicable law. Customer represents that the provisions of this section 11 shall not conflict with or breach any covenants and agreements between Customer and Customer's other creditors. Customer hereby authorizes Basler, in Basler's sole discretion, to file a UCC financing statement in any applicable jurisdiction.

§ 12 Warranties

1. Hardware: Basler warrants for a period of three (3) years from the date of invoice from Basler (or from another date as agreed by Basler and the customer in writing) that hardware Products furnished hereunder will be of merchantable quality, free from defects in material, workmanship and design. Repaired or replacement Products provided under warranty are similarly warranted for a period of six (6) months from the date of shipment to Customer or the remainder of the original warranty term, whichever is longer.
2. Factory Repair And Field Exchange: Basler warrants for a period of six (6) months from the date of invoice from Basler or its appointed distributor, as the case may be, that billable or non-warranty factory repaired or field exchanged hardware Products furnished hereunder will be free from defects in material and workmanship. Products furnished on an exchange basis may be new or reconditioned.
3. Service: Basler warrants that Products comprised of services, including engineering and custom application programming services, whether provided on a fixed cost or time and material basis, will be performed in accordance with generally accepted industry practices to the extent such services are subject to written acceptance criteria agreed to in advance by Basler. All other warranties relative to provided services are disclaimed.
4. Customer Specifications: Basler does not warrant and will not be liable for any design, materials or construction criteria furnished or specified by Customer and incorporated into the Products or for Products made by or sourced from other manufacturers or vendors specified by Customer. Any warranty applicable to such Customer-specified Products will be limited solely to the warranty, if any, extended by the original manufacturer or vendor other than Basler to the extent permissible hereunder.
5. Remedies: Satisfaction of the above warranties will be limited, at Basler's option, to the replacement, repair, re-performance or modification of, or issuance of a credit for the purchase price of the Products involved, and where applicable, only after the return of such Products with Basler's consent. Replacement Products may be new or reconditioned. Any warranty service (consisting of time, travel and expenses related to such services) performed other than at Basler's factory, will be at Customer's expense.
6. General: Warranty satisfaction is available only if (a) Basler is promptly notified and (b) Basler's examination discloses, to its satisfaction, that any alleged defect has not been caused by misuse; neglect; improper installation, operation, maintenance, repair, alteration or modification; accident; or unusual deterioration or degradation of the

Products or parts thereof due to physical environment or electrical or electromagnetic noise environment.

7. **THE ABOVE WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES WHETHER EXPRESSED, IMPLIED OR STATUTORY, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE, OR PERFORMANCE OR APPLICATION WARRANTIES, AND EXTEND ONLY TO CUSTOMERS PURCHASING FROM BASLER OR ITS APPOINTED DISTRIBUTOR.**
8. The customer shall inspect the delivered goods immediately after receipt and shall promptly but not later than 10 working days after delivery notify Basler in writing of any identifiable defects together with a detailed description thereof. Defects not immediately identifiable in the course of a proper inspection or defects appearing subsequently shall be notified by the customer in writing to Basler not later than 10 working days after discovery together with a detailed description thereof.
9. All those parts proving to be defective as a result of circumstances having occurred prior to the transfer of risks shall at Basler's option be either repaired or replaced free from defects without charge. Any such defects must be promptly notified in writing to Basler upon detection. Any parts replaced shall become the property of Basler.
10. The customer shall after communication with Basler grant Basler the time and opportunity required to perform all repairs and replacement deliveries deemed necessary by Basler; if customer fails to do so, Basler shall be released from its liability for any consequences resulting from such failure.
12. Basler in particular does not assume any liability in any of the following circumstances: unsuitable or improper use, inaccurate assembly or commissioning by the customer or third parties; wear and tear; incorrect or negligent handling; improper maintenance; unsuitable equipment; defective construction works; unsuitable building lot; chemical, electrochemical, or electrical influences to the extent Basler is not accountable for such circumstances.
13. If a defect is repaired improperly by the customer or a third party, then Basler shall have no liability for any consequences resulting from such improper repair. The foregoing shall also apply to any modifications of the delivered goods performed without the prior consent of Basler.
14. In all other respects, Basler does not assume any warranty as to quality, durability or otherwise and does not assume any procurement risk unless Basler has expressly assumed any such warranty or risk so specified in writing or text form (fax, email).

LIMIT OF LIABILITY: IN NO EVENT WILL BASLER BE LIABLE FOR INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES OF ANY KIND. BASLER'S MAXIMUM CUMULATIVE LIABILITY RELATIVE TO ALL OTHER CLAIMS AND LIABILITIES, INCLUDING THAT WITH RESPECT TO DIRECT DAMAGES AND OBLIGATIONS UNDER ANY INDEMNITY, WHETHER OR NOT INSURED, WILL NOT EXCEED THE COST OF THE PRODUCTS GIVING RISE TO THE CLAIM OR LIABILITY. ANY ACTION AGAINST BASLER MUST BE BROUGHT WITHIN EIGHTEEN (18) MONTHS AFTER THE CAUSE OF ACTION ACCRUES. THESE DISCLAIMERS AND LIMITATIONS OF LIABILITY WILL APPLY REGARDLESS OF ANY OTHER CONTRARY PROVISION OF THE AGREEMENT AND REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT OR OTHERWISE, AND FURTHER WILL EXTEND TO THE BENEFIT OF BASLER'S VENDORS, APPOINTED DISTRIBUTORS AND OTHER AUTHORIZED RESELLERS AS THIRD-PARTY BENEFICIARIES. EACH PROVISION IN THE AGREEMENT WHICH PROVIDES FOR A LIMITATION OF LIABILITY, DISCLAIMER OF WARRANTY

OR CONDITION OR EXCLUSION OF DAMAGES IS SEVERABLE AND INDEPENDENT OF ANY OTHER PROVISION AND IS TO BE ENFORCED AS SUCH.

§ 13 Acceptance

Where the work provided by Basler is a contract for services, the customer must accept the work within the period specified in the contract between Basler and the customer, not to exceed four weeks in any circumstance. After expiration of this period the work will be deemed as having been accepted.

§ 14 Additional warranty terms for software products

1. Basler warrants that licensed software products meet the functions and features set out in the "Software Product Description" by the manufacturer as valid for the respective software products at the time of issue of the license. The technical data, specifications and performance descriptions in the "Software Product Description" do not constitute guarantees unless expressly defined as such. Should specific functions or features of the "Software Product Description" not be met, Basler may opt either for rectification, where applicable in the form of delivery of a new version or to take back the software with reimbursement of any license fees already paid.
2. Basler expressly disclaims any warranty for software not supplied by Basler or not in compliance with the license regulations, and for software operated on a computer system not having the minimum hardware configuration and software installations in accordance with the "Software Product Description".
3. Customer will grant Basler a reasonable amount of time and opportunity for rectification of any software defect.
4. Basler expressly disclaims any warranty where a defect is due to an alteration, the improper use or repair of the product by the customer or a third party without the consent of Basler or where the products were not installed, configured, operated and maintained in compliance with the relevant applicable statutory requirements and guidelines.
5. For products not manufactured by Basler, Basler will have the option of assigning to customer warranty claims Basler possesses against the manufacturer of such product and Basler will thereafter have no liability for such warranty claims assigned to it. Unless otherwise agreed, the warranty period is 24 months as from delivery to the customer; six months for repairs and deliveries of replacement parts as well as for customer services performed after lapse of the original warranty period, but at least for the duration of the original warranty period unless expressly extended pursuant to a written agreement.
6. The warranty period for the software produced by Basler is six (6) months after installation, provided that the installation was carried out by Basler or a partner of Basler, otherwise six (6) months from delivery.

§ 15 Software rights of use

1. The customer is being granted a non-exclusive, assignable right of use of the software, third party software (software developed and/or supplied by a third party) and corresponding documentation, addenda and other documents on a computer system (all other rights to the software and the documentation including copies and addenda will remain with Basler or the software supplier).
2. The customer may observe, inspect or test the functioning of the software for determining the ideas and principles underlying the software only during normal permitted use of the software subject to sec. 1.

3. The customer may not otherwise wholly or partially reproduce, process, translate, decompile or convert the software from the object code to the source code without the prior written consent of Basler, including, without limitation, for procuring the necessary information for the creation of the interoperability of an independently created computer program with other programs and where this information is not easily accessible to the customer, limited to parts of the original program necessary for creation of interoperability; the information gained from them may not be used for any other purpose and may not be disclosed to third parties .
4. The customer must ensure that the software and documentation are not accessible to third parties without the prior written consent of Basler. Copies may only be made for filing purposes, data back-up and defect detection; sec. 1 and 2 will apply accordingly. The provision of source programs will require a separate written agreement. Where the originals contain a copyright notice this notice must also be affixed to the copies by the customer.
5. Unless otherwise agreed the right of use will apply with an order confirmation and delivery of the software, documentation and subsequent addenda in every case.
6. The customer will inform Basler immediately and in writing should he become aware of the infringement of any intellectual property or copyrights by a product supplied by Basler. Basler exclusively will have the right to defend the customer against claims by the owners of such rights or to opt for a workaround which does not infringe on third party rights or to take back the product and to refund the purchase price minus any amount for use conceded. The customer will defend and indemnify Basler against all claims by the owners of such rights incurred against Basler by adherence to the customer's instructions by Basler or alteration of the product or integration thereof into a system by the customer.
7. Software and corresponding documentation provided by Basler are only for the final user's own use within the framework of a single, non-assignable license. Where originals bear a copyright notice, this copyright notice is to be affixed to any copies by the customer.

§ 16 Software licenses

1. The customer may only use software products he orders from Basler as well as the documentation on the basis of a software license issued by Basler or its manufacturers.
2. A software licensing agreement is formed where Basler accepts the customer's request for a software license in writing and this is confirmed in writing by its manufacturer. The software license is non-exclusive, may only be assigned with the express prior consent of Basler and does not entitle customer to sub-license the software. The licensed software may only be operated on the central unit or system configuration whose serial number is specified in a license certificate issued by Basler or third party manufacturers or upon application by the customer for issue of a license or in a license registration form filled out by the customer ("Licensed Unit"). Where the serial number is not documented in the intended way in the individual case the central unit or system configuration will be regarded as a "Licensed Unit" on which licensed software was initially operated. The software may only be copied, reproduced or transmitted to another system via a computer network to the extent that this is necessary for the operation of the Licensed Unit and for archiving and backup purposes. Where due to a defect of the equipment it is impossible to operate the software on the Licensed Unit the customer may temporarily run the software on another central unit or system configuration. Where the data carrier provided to the customer contains

software which does not cover the license issued to the customer for technical reasons it may only be used on the basis of a special license.

3. The software may contain technical precautions preventing access to such non-licensed software. The customer may only use the licensed software for operation on the Licensed Unit and only alter it in machine-readable form or combine it with other software. The licensed software will still be subject to the terms of Basler or third party manufacturers as part of the adaptation. The customer will affix a copyright notice by the author on all complete or partial copies, adaptations or transmissions of the software that is equivalent to that on the original version of the licensed software.
4. The customer is obligated to fill out and return the software license registration certificates provided to him to Basler within thirty (30) days to obtain warranty rights. Furthermore, he must keep records containing the licensed software including the respective version, serial number of the licensed unit, the location of the licensed software and the number of copies made. Upon request the customer must present these copies to Basler.
5. The software license will only entitle customer to use of the licensed version provided by Basler.

B. Repairs

§ 17 Scope of services

Beyond its warranty obligations, Basler shall render repair services against payment on the basis of a separate order confirmation. If a repair cannot be performed on site, the transport of the item to be repaired to and from Basler's manufacturing plant shall be carried out at customer's expense and risk.

§ 18 Cooperation; handover; functional testing; warranty

As regards the customer's duties of cooperation, the functional testing and warranty, the provisions set forth in chapter B. of these Terms and Conditions shall apply mutatis mutandis.

§ 19 Replacement parts

Replacement parts required for the maintenance of a system supplied by Basler shall be made available by Basler to customer at customer's expense, provided that Basler is able to make available the same and further provided that the replacement part order is not issued more than one year after the announced discontinuation of the production of the system.

C. Consulting

§ 20 Scope of services

Consulting services will be rendered in accordance with the execution dates stated in the order confirmation. Unless agreed otherwise in writing in the individual case, consulting services will be rendered by Basler under the terms of a service contract.

§ 21 Operating instruction sessions for the staff

Where special technical circumstances require instruction and/or training sessions with regard to Basler products, Basler shall carry out such instruction and/or training based on separate agreement.

§ 22 Documentation

Unless otherwise agreed in writing in the individual case, if related documents have been furnished to the customer in the course of trainings, instructions, or engineering projects, such documents shall remain the property of Basler. The customer shall not be authorized to reproduce or disclose such documents (including any extracts therefrom) to third parties without the prior written consent of Basler. Unless agreed otherwise in writing in the individual case, the documentation will be supplied in

the English language. The general statutory provisions on copyright law shall apply.

D. General

§ 23 Force Majeure

Seller will not be liable for any loss, damage or delay arising out of its failure to perform hereunder due to causes beyond its reasonable control, including without limitation, acts of God or the customer, acts of civil or military authority, fires, strikes, floods, epidemics, quarantine restrictions, war, riots, delays in transportation, or transportation embargoes. In the event of any such delay, Seller's performance date(s) will be extended for that length of time as may be reasonably necessary to compensate for the delay.

§ 24 Government Clauses and Contracts

No government contract regulations or clauses will apply to the Products or this agreement or act to bind Seller unless specifically agreed to by Seller in writing at Seller's headquarters. Products sold or licensed hereunder are not intended to be used, nor should they be used, in any nuclear-related application either as a "Basic Component" under 10 CFR 21 (United States NRC) or otherwise under similar nuclear laws and regulations of this or any other country.

§ 25 Export Control

Products and associated materials supplied or licensed under this agreement may be subject to various export laws and regulations. It is the responsibility of the exporter to comply with all such laws and regulations.

§ 26 Disputes

The parties will attempt in good faith promptly to resolve any dispute arising out of this agreement by negotiations between representatives who have authority to settle the controversy. If unsuccessful, the parties further will attempt in good faith to settle the dispute by non-binding third-party mediation, with fees and expenses of such mediation apportioned equally to each side. Any dispute not so resolved by negotiation or mediation may then be submitted to a court of competent jurisdiction in accordance with the terms of this agreement. These procedures are the exclusive procedures for the resolution of all such disputes between the parties.

§ 27 Governing Law

This agreement and all disputes arising hereunder will be governed by and interpreted in accordance with the internal laws of the state, province or other governmental jurisdiction in which Basler's principal place of business exists, currently the Eastern District of Pennsylvania, but specifically excluding the provisions of the 1980 UN Convention on Contracts for the International Sales of Goods.

§ 28 Assignment

This agreement may not be assigned by either party without the written consent of the other; however, consent will not be required for internal transfers and assignments as between Seller and its parent corporations, subsidiaries or affiliates as part of a consolidation, merger or other form of corporate reorganization.

§ 29 Language

The parties acknowledge that they have required that this agreement be drawn up in English. Les parties reconnaissent avoir exigé la rédaction en anglais du Contrat. In the event of a conflict between the English and other language versions of this agreement, the English version will prevail